

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

INCOME TAX REFERENCE No. 284 of 1983

For Approval and Signature:

Hon'ble MR.JUSTICE S.M.SONI and

MR.JUSTICE Y.B.BHATT

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1. Whether Reporters of Local Papers may be allowed to see the judgements ? NO
2. To be referred to the Reporter or not ? NO
3. Whether Their Lordships wish to see the fair copy of the judgement? NO
4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder ? NO
5. Whether it is to be circulated to the Civil Judge ? NO
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SARABHAI TECHNOLOGICAL DEVELOP.SYANDICATE (P) LTD

Versus

COMMISSIONER OF INCOME TAX

Appearance:

MR KC PATEL for Petitioner
MR BJ SHELAT for MR MANISH R BHATT
for Respondent No.1

CORAM : MR.JUSTICE S.M.SONI and

MR.JUSTICE Y.B.BHATT

Date of decision: 10/10/96

ORAL JUDGEMENT

Tribunal has raised the following questions for determination, by this Court in this reference. Question

No. 1 is referred at the instance of the Assessee and the Question No. 2 is referred at the instance of the Revenue.

"1. Whether, on the facts and in the circumstances of the case, the Tribunal was justified in law in confirming the disallowance of the claim of gratuity liability of Rs. 30,311/= for the A.Y. 1975-76 and Rs. 39,133/= for the A.Y 1977-78 made by the assessee u/s. 28 and/or section 37 of the Act ?"

"2. Whether, on the facts and in the circumstances of the case, the Tribunal was right in law in coming to the conclusion that the assessee was entitled to the allowance of Rs. 35,534/- and Rs. 5,327/= being the amount of expenditure incurred on maintenance of Darshan Apartments and rest house expenses respectively?"

Following the decision of the Supreme Court in case of Shri Sajjan Mills Limited versus Commissioner of Income-Tax, M.P., & Anr., 156 ITR p-585, the Question No. 1 is answered in the negative, that is against the assessee. Following the decision of this Court in the case of Commissioner of Income Tax versus Ahmedabad Mfg. & Calico Printing Company Limited, 197 ITR p-538, Question No. 2 is answered in the affirmative against the Revenue that is in favour of the assessee. Reference stands disposed of accordingly with no order as to costs.

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